

Northern Hills Water and Sewer Company

*an affiliate of
Utilities, Inc.*

2335 Sanders Road
Northbrook, Illinois 60062
(800) 831-2359
(847) 498-6441
Fax (847) 498-2066

May 19, 2003

Dear Customer:

Northern Hills Water and Sewer Company has requested that the Illinois Commerce Commission approve an increase in water and sewer rates. The table below shows the present rates, which have been in effect since 1998, compared with proposed rates.

	<u>Rates</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Water</u>		
Base Charge	\$5.00	\$6.25
Usage Charge	\$2.84 per 1,000 gallons	\$3.07 per 1,000 gallons
<u>Sewer</u>		
Base Charge	\$21.23	\$27.19

Assuming an average consumption of 6,000 gallons, your monthly charge for water service will increase from \$22.04 to \$24.67.

Section 3-105 of the Illinois Public Utilities Act states that no utility may raise its rates without filing such rates with the Illinois Commerce Commission. The burden of proof of justifying the requested rates rests upon the utility company.

You may wish to call to the Commission's attention any problems you have experienced concerning water service, billing procedures or other factors pertaining to the determination of reasonable charges for our service. You must contact the Commission by phone or letter within 21 days. The Commission Staff will investigate matters brought to its attention in the course of its evaluation of our proposed rates. All written correspondence should be addressed to:

Consumer Service Division
Illinois Commerce Commission
527 East Capital Avenue
Springfield, IL 62706

You may call the Consumer Service Division at (800) 524-0795.

You will not receive further notice concerning this request for a rate increase unless you indicate your interest by contacting the Illinois Commerce Commission.

Sincerely,



Amanda M. Ross
Senior Accountant, Regulatory

05/20/03

11:00 AM
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